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AGREEMENT made this 8th day of February 1949, effective the 8th day of February 1949, by and between the United States of America (hereinafter referred to as the Government), as represented by the Central Intelligence Agency, and [REDACTED] (hereinafter referred to as the Employee).

R E C I T A L S

A. The Government desires the services of the Employee for CIA under circumstances requiring the Employee to provide himself with an appropriate cover for operations, and the Government desires to send the Employee overseas for intelligence operations.

B. The Employee desires as an employee of the Government to serve CIA abroad under the supervision and control of the Central Intelligence Agency and is willing to accept the responsibility of providing himself with a suitable cover for the purposes of such employment with the Government.

ARTICLE I. Relationship of Employee to His Cover.Occupation. The employee shall undertake to provide himself with a cover occupation which is logical to his professional background and attainments, and shall outwardly conduct himself in accordance with this cover.

1. Such employment or gainful occupation must have prior approval of CIA. Employment so approved shall be the cover occupation of this agent for purposes of this contract.

2. Any cover employment or gainful occupation undertaken by the Employee is subject to termination upon instruction by CIA.

ARTICLE II. Relationship of the Employee with CIA. Although it may outwardly appear that the individual is other than an employee of CIA, he shall in fact be an employee of CIA and shall be generally governed by the regulations of CIA. The Employee shall be entitled to rights, privileges, benefits, and prerogatives similar to those of a CIA staff employee, where not inconsistent with the terms of this Agreement.

ARTICLE III. Salary and Allowances. The Employee is appointed at a basic salary of \$8000 per annum. The Employee will be entitled to Within Grade promotions in a manner similar to the procedure prescribed by the Civil Service Rules and Regulations. In the event that the salary level of the Employee's indicated grade is altered by General Legislation, the salary authorized under the Contract shall be altered accordingly. For the purpose of security, however, all such promotions shall be adjusted to round figures as near as possible to the Regulations of Civil Service ingrade promotions. In addition to the above stated salary, the employee shall receive, while outside the United States on his initial assignment, a post differential of \$2,000 per annum and living and quarters allowances of \$3,500 per annum. This sum may be paid to the employee in advance at appropriate quarterly intervals. If changing circumstances materially alter the conditions warranting these allowances, they may be adjusted accordingly, but not retroactively.

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1. All amounts to be paid by CIA to the Employee will be paid to him in accordance with his written directions in a manner acceptable to CIA.

2. From the amounts actually paid by CIA, there shall be deducted the appropriate percentage (now 6%) of the total base salary prescribed in this ARTICLE. This amount is to be deducted for contribution to a Retirement Fund.

3. Since it is contemplated that the employee may derive income from his cover occupation, the amounts to be paid by CIA as salary and allowances shall be reduced by the amount of such cover income, provided, however, that at all times a minimum compensation at the rate of \$2,000 per annum will be paid by CIA. Payments made under this article paid by CIA shall, first, be considered salary up to the limit prescribed herein; secondly, post differential; and, lastly, living and quarters allowances.

4. Adjustment of CIA and cover payments will be made as follows: cover income shall be construed to be the net taxable income of the employee from the cover company plus any living and quarters allowances paid by the company. On 30 June and 31 December of each year, or on termination of this contract for portion of the year not already covered, the employee shall report the total amount of such cover income for the preceding six months, and based on such report, CIA will pay to the employee the amount due him under this ARTICLE or, in any case, not less than \$1,000 of salary for the six months' period under consideration. In the event it appears that this arrangement will cause hardship to the employee during the initial six months' period, the employee shall be entitled to receive reasonable travel advances based on the foreseeable cost of transportation of himself and his dependents, to his post of duty overseas, and to advances of the post differential and living quarters allowances in the amount not to exceed \$1,000 for the first six months' period.

ARTICLE IV. Travel. The Employee shall be reimbursed for the cost of the transportation of himself, his dependents, and his household belongings, including one personal automobile, to his post of duty overseas, in accordance with CIA travel regulations. Unless he elects to remain overseas on termination of this contract, the expenses of return travel will also be reimbursed by the Government in the same manner. In addition, after his arrival at his post of assignment overseas, he will be reimbursed in accordance with CIA travel regulations for travel expenses incurred at the request of CIA, and while in temporary duty travel status, related directly to the accomplishment of his assigned information objectives and operational tasks, he shall be allowed an allowance in lieu of subsistence of not to exceed \$10 per day. Any such expenses reimbursed by CIA shall not be included in the cover company accounts.

ARTICLE V. Death and Disability Benefits. The Employee shall be entitled to death and disability benefits equal to the benefits authorized under the United States Employees' Compensation Act. In addition, the Employee will be insured at the expense of CIA in a like amount and like manner to the insurance policies currently in force by the War Agencies Protective Association. Claims by the Employee, or his heirs, assigns, or legal representatives under this ARTICLE will be processed by CIA in its discretion and in such manner as not to impair the past, present, or future security of the Employee or CIA.

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ARTICLE VI. Annual and Sick Leave. The Employee shall be entitled to annual and sick leave in the amounts authorized under CIA regulations, which shall be administered without reference to the detailed forms and supporting documents required by regulations.

ARTICLE VII. Continuance of Pay and Allowances. If the Employee is determined by CIA to be absent in a status of "Missing", "Missing in Action", "Interned in a Neutral Country", "Captured by an Enemy", "Beleaguered", or "Besieged", he shall for the period he is determined to be in any such status be entitled to receive or to have credited to his account the same pay and allowances to which he was entitled at the beginning of such period of absence. Continuance of pay and allowances as specified above, shall be in a manner similar to that prescribed in the original provisions of the Missing Persons Act of 1942, (50 U.S.C.A. App 1001-1015, 7 March 1942).

ARTICLE VIII. Rehabilitation. If the circumstances of the Employee become such that his employment with CIA is impaired to an extent that the employment contemplated under this contract is no longer advisable or possible through a breakdown of the security surrounding his professional cover or for other reasons, CIA may terminate this Agreement and in such event CIA will take such action as may be appropriate within the scope of the Contract to replace the Employee in a comparable professional position either with CIA or in other general occupation for which the Employee is equipped. Should this be impossible, CIA will continue the salary of the Employee for a reasonable period at the time of the break while the Employee is endeavoring to rehabilitate himself, provided the Employee shall exercise reasonable effort to rehabilitate himself. If the security of the Employee's continued employment should be placed in jeopardy through gross negligence or willful act of the Employee, appropriate action and guarantee of rehabilitation set forth hereinabove, will be at the discretion of CIA.

ARTICLE IX. Federal Income Tax. It will be the personal responsibility of the Employee to comply with current Federal income tax laws in an appropriate manner consistent with the security of his personal circumstances. In furtherance of this responsibility, the Employee shall be required to file with CIA a copy of the original income tax form filed by him with the Bureau of Internal Revenue, United States Treasury. If no return is filed, CIA shall be so notified by the Employee.

ARTICLE X. Security. This contract contains information affecting the national defense of the United States within the meaning of the Espionage Act (50 U.S.C. 31 and 32, as amended). Its transmission or the revelation of its contents in any manner to an unauthorized person is prohibited by law. Violation of this ARTICLE OR any security agreement signed by the Employee with the Government shall result in immediate disciplinary action, which may include suspension, separation from the Government service, and may subject the Employee to criminal prosecution under the Espionage Act.

will

1. The termination of this contract ~~shall~~ not release the Employee from the provisions of any security oaths which he may be required to take by CIA.

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2. The Employee shall not publish, transmit, or divulge in any manner, information received by him as the result of his employment by the Government under this contract without specific written authority from the Director, CIA.

ARTICLE XI. Orders and Directives. Orders and Directives received in briefing and training, shall be complied with by the Employee. No promises or commitments to the Employee of any nature whatsoever, beyond and in addition to the terms hereof, shall be binding on the Government unless and until such promise or commitment is reduced to writing and approved by an authorized official of CIA, and such writing placed with this Contract, thereby becoming an amendment hereto.

ARTICLE XII. Term. The employment of the Employee hereunder shall be for such time as his services are required and appropriations are available for the functions of CIA. Employment may likewise be terminated upon six months written notice by Employee, or upon shorter notice if, in the opinion of CIA, such termination is not prejudicial to the responsibilities of CIA. The Employee shall be considered under this Agreement as a permanent Employee of CIA.

ARTICLE XIII. It is understood by CIA and the Employee that this Contract will be subject to immediate termination if it becomes impossible for the Employee, with assistance of CIA, to obtain such cover employment as is deemed necessary and suitable for the Employee's first overseas assignment. In this case, such alternate employment will be arranged as agreed by CIA to be in the interest of the U. S. Government.

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/s/ [REDACTED]
WITNESS

8 February 1949
Date

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/s/ [REDACTED]

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/s/ [REDACTED]
CHIEF, SPECIAL FUNDS DIVISION

Copy made on 8 August 1950 by mw as Legal Staff had no copy of this agreement in its files. Copy made from signed copy of Branch concerned.

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UNCLASSIFIED RESTRICTED CONFIDENTIAL **SECRET**

CENTRAL INTELLIGENCE AGENCY
OFFICIAL ROUTING SLIP

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REMARKS:

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Reference your memo 23 December 1949, in connection with travel provisions of contract with career agent, [REDACTED]. Inasmuch as your interpretation of the provision concerned is consistent with prior interpretations and present practices, there is no legal objection.

Incoming att'd to Smeane
3 Jan '49 50

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